



One.com SimpleSite ApS

Kalvebod Brygge 24
1560 København V
CVR No. 10079861

Annual report 01.01.2022 - 30.09.2022

The Annual General Meeting adopted the
annual report on 28.02.2023

Ronni Woods Engelhardt
Chairman of the General Meeting

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Entity details

Entity

One.com SimpleSite ApS

Kalvebod Brygge 24

1560 København V

Business Registration No.: 10079861

Registered office: København

Financial year: 01.01.2022 - 30.09.2022

Executive Board

Ronni Woods Engelhardt, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Executive Board has today considered and approved the annual report of One.com SimpleSite ApS for the financial year 01.01.2022 - 30.09.2022.

The annual report is presented in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 30.09.2022 and of the results of its operations for the financial year 01.01.2022 - 30.09.2022.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 28.02.2023

Executive Board

Ronni Woods Engelhardt
CEO

Independent auditor's report

To the shareholder of One.com SimpleSite ApS

Opinion

We have audited the financial statements of One.com SimpleSite ApS for the financial year 01.01.2022 - 30.09.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.09.2022 and of the results of its operations for the financial year 01.01.2022 - 30.09.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 28.02.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Henrik Hartmann Olesen

State Authorised Public Accountant
Identification No (MNE) mne34143

Management commentary

Primary activities

The core activity of the Group is to develop and sell access to SimpleSite.com – a tool to create DIY websites which is delivered as a global SaaS solution (Software as a Service).

Description of material changes in activities and finances

The company was acquired by One.com Group AB on 16 September 2022 and has decided to change the accounting year from 1 January - 31 December to 1 October to 30 September, following the same accounting period as One.com Group AB. The current accounting period (conversion period) covers the period 1 January - 30 September 2022 (9 months).

With effect from January 2022, One.com SimpleSite ApS merged with its 100 % owned subsidiaries 123hemsida.Se ApS, 123hjemmeside.No ApS, 123homepage.IT ApS, 123kotisivu.Fi ApS, 123miweb.Es ApS, 123siteweb.Fr ApS, 123webseite.De ApS, 123website.Salb ApS, 123website.NL ApS and SimpleSite Gm ApS in order to simplify the group structure. The merger has been conducted in accordance with the book-value method and hence, comparatives have not been restated in this matter.

The Company has adjusted its accounting policies to new group policies in regards to recognition of revenue. Previously, revenue was recognised using the completed-contract method. In 2022 revenue from the sale of domains and web hosting is recognised in the income statement by equal monthly amounts over the subscription period. The 2021 opening balance of equity is adversely affected by DKK 11,063,048 after tax. Accruals and deferred income are positively affected by DKK 14,183,395. Deferred tax is positively affected by DKK 3,120,347.

The Company's new owner has decided to migrate the Company's customers to another platform, for which reason current development costs have been written down to DKK 0. as of 30 september 2022, resulting in a impairment write down of DKK 10.9 million.

The gross profit reached DKK 19.6 million in the period 1 January - 30 September against DKK 21 million in 2021. The income statement for the period 1 January - 30 September showed a profit after tax of DKK 990 thousand against a loss of DKK 8.7 million in 2021. Last year's loss was influenced by an impairment loss on completed projects and a change in the future business strategy, and this year's result was hence expected.

A profit equal to the level attained this year is expected for 2022/23. In addition, the Company expects a positive cash flow.

As of 30 September 2022 the Company has lost the contributed capital and the equity is negative with an amount of DKK 16.0 million. Management has considered the fact that the Entity has lost more than 50% of its share capital according the Danish Company law. It is Management's opinion that this will not affect the Entity's future operations negatively and that the Group has a plan for restoring its equity. The Company has received a support letter from One.com Group AB for the period until 30 September 2023.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2022

	Notes	2022 DKK	2021 DKK
Gross profit/loss		19,569,821	20,923,368
Staff costs	1	(3,767,277)	(16,452,288)
Depreciation, amortisation and impairment losses	2	(14,247,650)	(14,836,899)
Operating profit/loss		1,554,894	(10,365,819)
Other financial income		31,716	15,220
Other financial expenses		(972,038)	(1,976,132)
Profit/loss before tax		614,572	(12,326,731)
Tax on profit/loss for the year	3	375,732	3,506,190
Profit/loss for the year		990,304	(8,820,541)
Proposed distribution of profit and loss			
Retained earnings		990,304	(8,820,541)
Proposed distribution of profit and loss		990,304	(8,820,541)

Balance sheet at 30.09.2022

Assets

	Notes	2022 DKK	2021 DKK
Completed development projects	5	0	14,247,650
Intangible assets	4	0	14,247,650
Other fixtures and fittings, tools and equipment		0	0
Property, plant and equipment	6	0	0
Investments in group enterprises		0	980,000
Deferred tax		3,438,539	2,019,027
Financial assets	7	3,438,539	2,999,027
Fixed assets		3,438,539	17,246,677
Trade receivables		1,530,569	2,081,170
Receivables from group enterprises		0	18,307,000
Other receivables		126,491	136,178
Income tax receivable	8	705,197	708,360
Joint taxation contribution receivable		0	102,420
Receivables		2,362,257	21,335,128
Cash		6,823,096	4,230,779
Current assets		9,185,353	25,565,907
Assets		12,623,892	42,812,584

Equity and liabilities

	Notes	2022 DKK	2021 DKK
Contributed capital		139,180	139,180
Reserve for development expenditure		0	11,113,165
Retained earnings		(16,224,472)	(10,358,894)
Equity		(16,085,292)	893,451
Subordinate loan capital		0	5,000,000
Debt to other credit institutions		0	5,888,902
Other payables		2,211,764	3,657,095
Non-current liabilities other than provisions	9	2,211,764	14,545,997
Current portion of non-current liabilities other than provisions	9	0	849,606
Trade payables		2,126,666	3,932,812
Payables to group enterprises	10	8,407,417	2,516,802
Income tax payable		51,401	0
Joint taxation contribution payable		145,678	0
Other payables		2,839,829	5,890,520
Deferred income		12,926,429	14,183,396
Current liabilities other than provisions		26,497,420	27,373,136
Liabilities other than provisions		28,709,184	41,919,133
Equity and liabilities		12,623,892	42,812,584
Unrecognised rental and lease commitments	11		
Contingent liabilities	12		
Related parties with controlling interest	13		

Statement of changes in equity for 2022

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	139,180	11,113,165	704,155	11,956,500
Changes in accounting policies	0	0	(11,063,048)	(11,063,048)
Adjusted equity beginning of year	139,180	11,113,165	(10,358,893)	893,452
Effect of mergers and business combinations	0	0	(17,969,048)	(17,969,048)
Transfer to reserves	0	(11,113,165)	11,113,165	0
Profit/loss for the year	0	0	990,304	990,304
Equity end of year	139,180	0	(16,224,472)	(16,085,292)

Notes

1 Staff costs

	2022	2021
	DKK	DKK
Wages and salaries	3,615,163	20,203,752
Pension costs	47,613	728,379
Other social security costs	53,763	229,584
Other staff costs	50,738	839,969
	3,767,277	22,001,684
Staff costs classified as assets	0	(5,549,396)
	3,767,277	16,452,288
Average number of full-time employees	2	29

2 Depreciation, amortisation and impairment losses

	2022	2021
	DKK	DKK
Amortisation of intangible assets	3,331,387	5,487,436
Impairment losses on intangible assets	10,916,263	9,341,693
Depreciation of property, plant and equipment	0	7,770
	14,247,650	14,836,899

3 Tax on profit/loss for the year

	2022	2021
	DKK	DKK
Current tax	76,984	(507,586)
Change in deferred tax	(706,590)	(2,894,674)
Adjustment concerning previous years	(8,514)	(1,510)
Refund in joint taxation arrangement	262,388	(102,420)
	(375,732)	(3,506,190)

4 Intangible assets

	Completed development projects DKK
Cost beginning of year	46,921,770
Cost end of year	46,921,770
Amortisation and impairment losses beginning of year	(32,674,120)
Impairment losses for the year	(10,916,263)
Amortisation for the year	(3,331,387)
Amortisation and impairment losses end of year	(46,921,770)
Carrying amount end of year	0

The Company's new owner has decided to migrate the Company's customers to another platform, for which reason current development costs have been written down to DKK 0.

5 Development projects

The One.com SimpleSite platform and related features are significant intangible assets. The cost price of development projects is derived from time spent by developers and Management expressed in cost of man hours and external development costs. On an ongoing basis, Management assesses the value of the assets. As of 30 September 2022 the value of development costs has been written off.

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	106,992
Cost end of year	106,992
Depreciation and impairment losses beginning of year	(106,992)
Depreciation and impairment losses end of year	(106,992)
Carrying amount end of year	0

7 Financial assets

	Investments in group enterprises DKK	Deferred tax DKK
Cost beginning of year	980,000	2,019,027
Disposals on divestments etc.	(980,000)	0
Additions	0	1,419,512
Cost end of year	0	3,438,539
Carrying amount end of year	0	3,438,539

8 Tax receivable

Tax receivables of DKK 705k comprise of expected tax credit for development costs for the income year 2021 determined in accordance with Danish Tax Assessment Act (Ligningsloven) section 8X to be settled in November 2022.

9 Non-current liabilities other than provisions

	Due within 12 months 2021 DKK	Due after more than 12 months 2022 DKK
Subordinate loan capital	849,606	0
Other payables	0	2,211,764
	849,606	2,211,764

10 Payables to group enterprises

The Company has received a support letter from One.com Group AB for the period until 30 September 2023.

11 Unrecognised rental and lease commitments

	2022 DKK	2021 DKK
Liabilities under rental or lease agreements until maturity in total	0	76,000

12 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which Isthmus Danish Bidco ApS with effect from 16.09.2022 serves as new administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed entities and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

In addition to the above, the Entity is not incumbent on any contingent liabilities.

13 Related parties with controlling interest

One.com Group AB owns all shares in the Entity, thus exercising control.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

Changes in accounting policies

The Entity has changed its accounting policies with regard to recognition of revenue.

The Company has adjusted its accounting policies to new group policies regards to recognition of revenue. Previously, revenue was recognised using the completed-contract method. From 2022 revenue from the sale of domains and web hosting is recognised in the income statement by equal monthly amounts over the subscription period. The 2021 opening balance of equity is adversely affected by DKK 11,063,048 after tax. Accruals and deferred income are positively affected by DKK 14,183,395. Deferred tax is positively affected by DKK 3,120,347.

The comparative figures have been restated following the change in accounting policies.

Apart from the areas mentioned above, the annual report has been presented applying the accounting policies consistently with last year.

Non-comparability

The company has decided to convert the financial year from 1 January - 31 December to 1 October - 30 September. The reason for the reorganization of the financial year is that the company has been acquired by One.com Group AB, which has financial year from 1 October to 30 September.

The current accounting period (conversion period) covers the period 1 January - 30 September 2022 (9 months). The comparative figures have not been restated, so the comparative figures for 2021 cover the period 1 January to 31 December 2021 (12 months).

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts

attributable to this financial year.

Business combinations

Business combinations with the participation of companies under the control of the parent company (common control) are carried out at the time of acquisition, without adjustment of comparative figures according to the book-value method.

With effect from January 2022, One.com SimpleSite ApS merged with its 100 % owned subsidiaries 123hemsida.Se ApS, 123hjemmeside.No ApS, 123homepage.IT ApS, 123kotisivu.Fi ApS , 123miweb.Es ApS, 123siteweb.Fr ApS, 123webseite.De ApS, 123website.Salb ApS, 123website.NL ApS and SimpleSite Gm ApS in order to simplify the group structure. The merger has been conducted in accordance with the book-value method and hence, comparatives have not been restated in this matter.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in the translation reserve in equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are recognised directly in the translation reserve in equity.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue from the sale of domains and web hosting is recognised in the income statement by equal monthly amounts over the subscription period.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets as well as gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 5 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or receivable are recognised in the balance sheet, started as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.